



The Accomplishments and Lessons of the War on Poverty

Martha J. Bailey, University of California-Los Angeles

Sheldon Danziger, University of Michigan

Declaring an “unconditional war on poverty” in his January 1964 State of the Union Address, President Lyndon Johnson launched a legislative blitz intended to go beyond addressing the symptoms of poverty to “cure it and, above all, prevent it” through major new national efforts in health insurance, education and job training, and safety net protections for the poor. Fifty years later, millions of low-income, elderly, and disabled Americans have benefited from the billions of dollars spent on these programs each year. Yet according to the official poverty rate, fifteen percent of Americans remain poor, just four percentage points lower than in 1964.

The persistence of high poverty rates even as the federal government has spent much more fuels charges by conservatives that, in the words of President Ronald Reagan, the “federal government fought the war on poverty and poverty won.” Some critics claim that federal efforts make poverty worse, and call for draconian spending cuts and radical changes in programs such as Medicaid (public health insurance for the poor and disabled) and the current version of Food Stamps (the program that helps poor people buy more food). Some liberals also question the War on Poverty, arguing that it was underfunded or did too little to constrain corporations.

In our book, *Legacies of the War on Poverty*, a team of experts dissects decades of data using innovative research methodologies. We find that many programs delivered significant benefits, and we explain how the gains came about. Our findings challenge rampant misconceptions about what government can do to ameliorate poverty and boost the disadvantaged.

A Comprehensive Range of Efforts

Contrary to myths propagated by many critics, the War on Poverty was not narrowly focused on “expanding welfare.” “No doles,” stipulated President Johnson, and his legislative initiatives included aid to schools and universities, new job training programs, public housing initiatives, new Medicare health coverage for the elderly and Medicaid coverage for the poor, and other programs that have endured, such as Head Start, Job Corps, and Community Health Centers.

The War on Poverty’s pivotal assault on racial discrimination often goes unmentioned. In addition to persuading Congress to pass the 1964 Civil Rights Act and the 1965 Voting Rights Act, the Johnson administration used the federal purse to desegregate schools, hospitals, community boards, and neighborhood programs. As new grants flowed, threats to withhold funding made

Nor should the War on Poverty be discussed only in the past tense. It is still being fought today. Although the original coordinating agency, the Office of Economic Opportunity, was disbanded in the early 1970s, many programs are still funded under new names in other agencies.

Did the War on Poverty Fail to Help the Poor?

Misconceptions have been rife for some time, partly grounded in political opposition and partly attributable to incomplete data. Early evaluations neglected the fact that benefits from human capital investments and racial integration would unfold gradually. We have learned, for example, that early childhood education most visibly pays off when youth reach college age or enter their prime working years. State of the art studies featured in our book show that many War on Poverty programs enhanced human capital over the years by improving health and reducing racial inequality.

But what about the undeniable fact that poverty rates remain high? The official federal poverty measure is outdated, because it does not include income boosts from food stamps and tax credits. A recent study using an improved poverty measure found that, in fact, U.S. poverty declined by 26 percentage points from 1960 to 2010 – with most of the reductions in poverty registered before 1980 when anti-poverty efforts were getting increased federal funding.

The original architects of the War on Poverty could not have anticipated that dramatic changes in the U.S. economy after the 1970s would keep future fruits of economic growth from trickling down to the poor. Globalization, labor-saving technological changes, and reductions in labor union enrollments have all combined to hold down wage increases for American workers without college degrees. Poverty has also been worsened by rising numbers of single-parent households and big jumps in the numbers of low-income men sent to prison for long stretches. So many winds of economic and social change have pushed against efforts to boost the poor, that poverty would probably be considerably higher today without the accomplishments of the War on Poverty.

Learning the Right Lessons

History can be a great teacher, but not when we learn the wrong lessons. It has taken researchers decades to analyze the accomplishments of the War on Poverty, but now we have good evidence.>

- Key efforts such as Medicare and Medicaid may have cost more than originally projected, but they have had major positive long-term effects, and their trajectories reveal ways to improve policy designs and cost-effectiveness in the future.
- Much of the War on Poverty's impact came from multiple, interrelated programs working together. Assessing programs one by one can miss this vital truth.
- Federal programs are not just about dollars; they propel institutional changes, too. History rightly celebrates individual heroism and legal victories in the Civil Rights era, but we should not overlook the impact of War on Poverty dollars in pushing racial integration. Further progress could come if we make discrimination a pocket-book issue.

The original architects of the War on Poverty could not know which experiments would work and which would fall short. Some critics overplay failures to proclaim that government cannot fight poverty. But sober retrospect and today's best evidence say otherwise. The War on Poverty had major achievements, many rooted in policymakers' creative willingness to launch multiple experiments at once. Now, as then, America faces big challenges, and we should learn from the past about the value of bold, creative experimentation.

Read more in Martha J. Bailey and Sheldon Danziger (editors), *Legacies of the War on Poverty* (Russell Sage Foundation, 2013).